

BOARD OF DIRECTORS – ACTION SUMMARY

Wednesday, April 13, 2005 – 6:00 p.m.

**Administration Building
2101 Hurley Way, Sacramento, CA**

CALL TO ORDER

The meeting was called to order by President Granados. Board Members present: Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Trujillo, Valley. Director Kelly, absent. Staff: Deputy Chief Ritter, General Counsel Price, Board Clerk Tilson.

PLEDGE TO FLAG

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA

CONSENT AGENDA:

1. Special Board Meeting Action Summary—March 18, 2005

- **Board Action:**
Engellenner/Lawson—approve Consent item No. 1. Directors Engellenner, Granados, Lawson, Trujillo, Valley, AYE. Directors Duveneck, Goold, Jones, abstaining. Director Kelly, absent. Motion carried.

2. Board Meeting Action Summary—March 23, 2005

- **Board Action:**
Goold/Engellenner—approve Consent item No. 2. Directors Engellenner, Granados, Goold, Jones, Lawson, Trujillo, Valley, AYE. Director Duveneck, abstaining. Director Kelly, absent. Motion carried.

ACTION ITEM(S)

1. Bid Awards and Fund Transfer for Construction of Stations 107 and 32—(Horel)

- A two-page staff report with two companion resolutions was submitted for Board consideration and approval.

- The District requested bids from thirteen pre-qualified general contractors for the construction of fire stations 107 and 32. A total of three bids were received as follows:

<u>Bidder</u>	<u>Station 107</u>	<u>Station 32</u>	<u>Total Bid</u>
ZCON Builders	\$3,758,000	\$4,528,000	\$8,286,000
BRCO Constructors	\$3,750,000	\$4,640,000	\$8,390,000
BOBO Construction	\$4,166,000	\$5,310,000	\$9,476,000

For comparison purposes, the opinion of probable cost for the projects by the District's design and construction management consultants is as follows:

MFDB Architects	\$3,595,000	\$4,547,000	\$8,142,000
Vanir Const. Mgmt.	\$3,759,000	\$4,778,000	\$8,537,000

- District staff reviewed the bids and determined that ZCON Builders, the lowest bidder, meets all the requirements of the bid solicitation and is therefore the lowest responsible bidder for both projects.
- The cost to award public works contracts for the construction of Fire Stations 107 and 32 is \$8,286,000. An additional 5% construction contingency to cover change orders during the course of the construction amounting to \$414,000 will bring the total estimated construction cost of both fire stations to \$8,700,000.

For the remainder of the 2004/05 Fiscal Year, \$750,000 will be required to cover anticipated costs related to the fire station replacement program. The balance of funds required to complete Fire Stations 107 and 32 will be included in the 2005/06 Fiscal Year District Budget.

- Staff recommends the Board adopt the two resolutions to authorize the Fire Chief to award the construction of Fire Stations 107 and 32 to ZCON Builders and to transfer the necessary funds in the current 2004/05 Fiscal Year from the Capital Improvement Reserve Fund to cover the related program costs.
- Discussion included:
 - Letter dated April 8, 2005 from the Work Preservation Fund requesting the District conduct an investigation into the contractor's ability to pay the prevailing wages as required by law before awarding the contract.

- Mr. Horel stated he reviewed the bid amounts included in the subcontract portion. There was a clerical error in the painting amount for the materials submitted by the contractor but it does not affect the overall bid or price of the contract. The contract requirements specify that the general contractor and all subcontractors compensate employees at prevailing wage rates. The issues raised have been resolved.
- A Notice to Proceed Letter is issued and the contractor has 440 calendar days from the date of the letter to complete Station 32.

The construction duration for Station 107 is 11½ months.

- Peter Zacksorn of ZCON Builders stated it is their intention being awarded the project to build it quickly; possible start in May.
- In response to President Granados, Mr. Horel stated we are still in the process of County plan review and do not have a County-approved building permit for the projects.

President Granados expressed concern with the 5% contingency which appears to be extremely low, especially since the plans are still in the plan check process.

A. Resolution No. 15-05—Bid Award-Public Works Constructs For Construction of Fire Stations 107 and 32

- **Board Action:**
Goold/Jones—adopt the Resolution. Directors Duveneck, Goold, Jones, Lawson, Trujillo, Valley, AYE. Director Granados, NO. Director Engellenner, abstaining. Director Kelly, absent. Motion carried.

B. Resolution No. 16-05—Fund Transfer to Cover the Related Program Costs

A Resolution upon award of the bid to appropriate \$750,000 from the Capital Improvement Reserves Account for construction of Fire Stations 107 and 32, was considered.

- **Board Action:**
Jones/Goold—adopt the Resolution. Directors Duveneck, Goold, Jones, Lawson, Trujillo, Valley, AYE. Directors Engellenner and Granados, abstaining. Director Kelly, absent. Motion carried.

- Deputy Chief Ritter thanked the Board for their support of these two projects and publicly recognized Chuck Horel for his professionalism in shepherding this project.
- President Granados stated he is not opposed to building the stations but voted no because he is uncomfortable without approved design drawings and a contingency that he feels is too low.

PRESENTATION ITEM (S)

1. Safety Officer's Survivor Benefits—(Engellenner/McKnight)

[Taken out of order prior to the Action Item]

- Director Engellenner introduced Gayle McKnight of the Northern California Chapter of Concerns of Police Survivors who is on committees around the State to protect safety retirement and survivor benefits.
- Gayle McKnight stated her husband was Officer James McKnight from the West Sacramento Police Department who was killed in the line of duty in 1990. Since that time, she has endeavored to help other survivors of law enforcement, along with a small contingency. In 1996, in coalition with the Peace Officers Research Association of California (PORAC), a bill for continued medical benefits for surviving spouses was passed. Prior to that time, medical benefits were lost and paid for by the surviving spouse under COBRA. PORAC is requesting support against both of the current proposals by the Governor to eliminate the death and disability benefits and replace the Defined Benefits Plan with a Defined Contribution Plan for Police and Fire. The Governor has temporarily postponed this issue. Her purpose tonight is to emphasize the importance of maintaining these pension benefits and request as much support as possible from the Firefighters to defeat this initiative.
- Director Lawson offered assurance as the Community Services Director with the AFL-CIO that the firefighters are collectively involved in this endeavor along with the Police Department. He commended her on behalf of all protective service employees for her fortitude.

2. Final Audit Report for Fiscal Year 2004—(Houghton/Auditor Matré)

Mr. Matré stated the final audit report for the fiscal year ending June 30, 2004 being presented tonight did go out to the bondholders on time.

Referred to the following Auditor's Report dated March 15, 2005:

- Pointed out one Finding on the Fixed Assets system. Need to keep a historical tracking within the system of the Fixed Assets which currently does not exist.

Director Jones stated the Finance Committee will review with Finance Director Houghton the Finding of a Reportable Condition in the accounting of Fixed Assets noted in the Financial Audit by Sacramento County.

Finance Director Houghton stated this issue is being addressed with our software vendor.

- NOTE: This finding was originally reported as a Material Weakness in our 2001-2002 report dated March 31, 2003. In our 2002-2003 report dated July 15, 2004, it was reported as a Reportable Condition.

FIXED ASSETS

Current Recommendation:

Even though for the current year, staff was able to manually produce the information needed to complete the testing on fixed assets, we recommend that District staff review the current fixed asset system and determine if the system is capable of maintaining the data required to report the fixed assets information property. The current system needs to be changed or modified in order to produce the desired output. If the system is not able to produce the desired outputs a different fixed asset system may need to be implemented by the District.

- In response to President Granados, Finance Director Houghton stated he would provide the Board members with the letter acknowledging dissemination of the Final Audit Report on March 29, 2005, to the bondholders.
- Responding to Director Trujillo, Mr. Houghton stated Grants are normally included within the Intergovernmental Revenue category as part of our Budget. As requested, he can provide Board members with the grant numbers, awarding agency, criteria of each grant.
- Mr. Matré thanked District staff for their help and recognized his staff who worked on this audit, Cynthia Henderson and Coye Carter.

- **Board Action:**
Report filed as an Audit of Record.

3. Naming of Fire Stations—(Granados)

President Granados stated he discussed this item with Fire Chief Martinez. This is the first time in his ten years on the Board that we have built anything and he would like to recognize those who have lost their lives in the line of duty. Ron Harknett, listed on the District plaque, is one of those individuals. He suggested a policy be developed on naming the fire stations in honor of our people.

Suggestions included placement of a plaque maintaining the station identification number with a statement that the station is dedicated to a named firefighter, memorializing a fallen person to include the name of the predecessor agency and the community the person served at the time, within the area of the station location. If a candidate with the criteria does not exist, another level to be established. Directors within the division of the new station should have input on the names of people.

- **Board Action:**
General consensus to refer this item to the Policy Committee.

PRESIDENT'S REPORT—(Granados)

- Fire Chief Martinez is attending the Cap to Cap in Washington, D.C.
- Reminder that Board Directors look at the week of May 16 and give available dates to Board Clerk Tilson for a workshop on Budget and Finance.
- Two promotional exams are in process with additional time allowed for Human Resources to accomplish other requests.

FIRE CHIEF'S REPORT—(Deputy Chief Ritter)

- April 16, 2005 – Groundbreaking ceremonies – Fire Station 32 at 10 a.m. and Fire Station 107 at 2:00 p.m. Notify staff if attending so appropriate arrangements can be made.
- Electronic vote board is ready to go whenever the Board decides – brief demonstration given.

GENERAL COUNSEL'S REPORT—(Price)

- Reported the following Workers' Compensation claim settlement:

Cheryl Root v. Sacramento Metropolitan Fire District
WCAB SAC 332966 and SAC 0318321

Within settlement authority provided by the Board of Directors, staff and Workers' Compensation Counsel have secured a full Compromise and Release of claims WCAB SAC 332966 and SAC 0318321 from Cheryl Root for the amount of \$30,000.

- Update on public records requests received – responding to the request.

Second letter is from an individual in the Bay area requesting public records relating to the Board's negotiation process for this last labor contract – provided almost 1,100 pages of records – still working on any additional documents that need to be provided. Complying with the request to the extent required by law.

- Closed Session No. 2(b) -- Public employee discipline/dismissal/release items – removed from the Agenda.

COMMITTEE AND DELEGATE REPORTS:**Executive Committee—(Granados)**

- Will try to set up an Executive Committee Meeting for next week. Some action items need to be addressed from our last Workshop.
- Next meeting: TBA

Communications Center Delegate—(Engellenner)

- Next meeting: April 26, 2005 – 10:30 AM

California Fire & Rescue Training Authority—(Goold)

- Next meeting: TBA

Finance Committee—(Jones)

- Next meeting: April 27, 2005 – 5:00 p.m.

Policy Committee—(Trujillo)

- Deputy Chief Means updated the Board on the issue of the Chief Deputy Fire Chief job description discussed at the Policy Committee meeting today. Requested input and Board direction to staff on desired job description elements to move this process along, such as full-time dedicated position; any pay differential; minimum qualifications.

Director Jones included questions on contract, title, wage salary range, reporting status, chain of command.

Director Granados suggested researching other agencies in the immediate area similar to Metro Fire on the Chief Deputy Fire Chief job structure.

Job description to be brought back to the Policy Committee in July.

- **Board Action:**
General consensus to agendize this issue for the next Board meeting for full discussion and direction.
- Next meeting: May 11, 2005 – 5:00 p.m.

Western Placer County Fire District Advisory Association Meeting Update-(Appel)

- Placer County is experiencing serious financial difficulties and trying to determine how to continue providing fire protection in that area. Their general consensus is to go to the County and ask for additional funds, but want to remain independent and autonomous. No additional meetings are scheduled. We informed them of our concerns on mutual aid.

CLOSED SESSION 7:30 PM

RECONVENE TO OPEN SESSION 8:10 PM

Report by General Counsel Price:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(a) – One (1) Case

James Learmonth vs Sacramento Metropolitan Fire District
WCAB SAC 299814, SAC 305635 and SAC 0324418

The Board discussed the case and provided settlement authority to the Workers' Compensation counsel. If and when there is a settlement, it will be announced at a future meeting in open session.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Subdivision (b) of Section 54956.9

- a. Public Employee Performance Evaluation
Communications Center Manager

The Board was briefed by its delegate to the Comm Center regarding the performance evaluation of the Communications Center Manager. No action was taken.

BOARD MEMBER QUESTIONS AND COMMENTS:**Jones:**

- Looking forward to the station groundbreaking this Saturday.

Trujillo:

- Station 32 was the first-in responder on April 9 to a two-alarm fire on Bee Jay Court. Homeowner placed hot ashes in a garbage can between two homes. Our firefighters did an outstanding job and saved both homes.

Lawson:

- Extended appreciation to staff for all their work.

Valley:

- Thanked the Board members for getting the stations on board.

Granados:

- Last week he went to Socorro, New Mexico and met with the State Fire Marshal. Their Fire Prevention practices date back 30 years ago. He thanked Fire Marshal Dobson and stated our fire service is extremely progressive.

ADJOURNMENT – Meeting adjourned at 8:15 p.m.

Gregory A. Granados, President

Matt Kelly, Secretary

Charlotte Tilson, Clerk of the Board